



4499 03/16/06

\$6,000.00 ✓

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of:)

No. D 05-428

WASHINGTON NATIONAL
INSURANCE COMPANY,)

CONSENT ORDER
IMPOSING A FINE

An Authorized Insurer.)

Findings of Fact:

1. Washington National Insurance Company ("Washington National") is authorized to conduct insurance business in Washington State. It issues individual health insurance.
2. RCW 48.20.025(5) requires every insurer issuing or renewing individual health plans in this state during the previous calendar year to file for review by the Insurance Commissioner supporting documentation of its actual loss ratio for its individual health benefit plans offered or renewed in the state for the preceding calendar year. This documentation must be filed with the Commissioner by the last day of May each year, following the calendar year which is the subject of the documentation. The statute became effective on March 23, 2000.
3. Washington National failed to timely file its documentation for calendar years 1999, 2000, 2001, 2002, 2003, and 2004. The documentation was filed late on the following dates: June 02, 2000; June 4, 2001; June 27, 2002; June 20, 2003; June 07, 2004; and June 21, 2005 respectively.

Conclusions of Law:

1. Washington National's failure to timely file its calendar year loss ratios for 1999, 2000, 2001, 2002, 2003, and 2004 constituted six violations of RCW 48.20.025(5).
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.

Consent to Order:

Washington National consents to the following, in order to resolve this matter without further administrative or legal proceedings. The Commissioner consents to resolve this matter in consideration of the insurer's payment of a fine as set forth below.

1. Washington National consents to the entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply fully with the applicable laws and regulations of Washington State, and waives further administrative or legal challenge to the actions taken, or to be taken by the Insurance Commissioner related to the subject matter of this order.

2. Within thirty days of the entry of this order, Washington National will pay to the Insurance Commissioner a fine in the amount of \$6,000 (six thousand dollars).

3. If Washington National fails to pay this fine timely and in full, this will constitute grounds for the suspension or revocation of the certificate of authority which Washington National holds in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 16th day of February, 2006.

WASHINGTON NATIONAL INSURANCE COMPANY

By: Jani Valdez

Printed Name: Jan Valdez

Printed Corporate Title: Authorized Agent

Order:

1. Washington National is ordered to pay, within thirty days of the entry of this order, a fine in the amount of \$6,000 (six thousand dollars).

2. Failure to pay the fine timely and in full will constitute grounds for the suspension or revocation of the certificate of authority held by Washington National in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 21st day of February, 2006

MIKE KREIDLER
Insurance Commissioner

By: Marcia G. Stickler

Marcia G. Stickler
Legal Affairs Division